

Internal Revenue Service

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Washington, DC 20224

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Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:FIP:B04
PLR-154456-06

Date:
September 11, 2007

Taxpayer:

Dear :

Pursuant to § 11.04 of Rev. Proc. 2007-1, 2007-1 I.R.B. 1, 49, this letter is to modify our letter to you of May 3, 2007 in which we ruled that the references to § 264(f) in §§ 807(a)(2)(B), 807(b)(1)(B) and 832(b)(5)(B)(iii) do not take into account the exceptions to the application of the interest disallowance rule of § 264(f).

Specifically, our May 3, 2007 letter is modified to incorporate the safe harbor described in Revenue Procedure 2007-61, 2007 – 40 I.R.B. (October 1, 2007), including the effective date. Accordingly, you may rely on this safe harbor if your proposed transaction is within its scope.

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

This ruling is directed only to Taxpayer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to Taxpayer's authorized representative.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, for a return(s) filed electronically this requirement is satisfied by attaching a statement to the return(s) that provides the date and control number of the letter ruling.

The rulings contained in this letter are based upon information and representations submitted by Taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

Sincerely,

Stephen D. Hooe
Stephen D. Hooe
Special Counsel
Associate Chief Counsel (Financial
Institutions and Products)